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RECORDATION NO. 24205 FILED

NOV 08 '02 11-04 AM

SURFACE TRANSPORTATION BOARD

November 8, 2002

New Recordation No.

Dear Mr. Williams:

On behalf of Flex Leasing I, LLC, I submit for filing and recording under 49 U.S.C. § 11301 (a) and the regulations applicable thereunder, executed counterparts of a primary document, not previously recorded, entitled Memorandum of Use Agreement ("Lease") dated as of October 31, 2002.

The parties to the enclosed Lease are:

Flex Leasing I, LLC - LESSOR
Suite 730
221 Main Street
San Francisco, CA 94105

Maryland Midland Railway, Inc. - LESSEE
P.O. Box 1000
Union Bridge, MD 21791

The said Lease, among other things, acts to lease only the equipment listed in Annex A thereto by the Lessor to the Lessee.

The equipment covered by the instant Lease is as identified in Annex A thereto, copy attached, namely 50 hopper cars, six digit LW numbers as identified in Annex A, formerly FLOX numbers and formerly four digit LW numbers in 21888-T.

A short summary of the Lease to appear in the Surface Transportation Board Index is as follows:

"Lease of 50 hopper cars, six digit LW numbers, formerly FLOX numbers and formerly four digit LW numbers, see Annex A."

Please enter under this Recordation No. the following cross index reference:

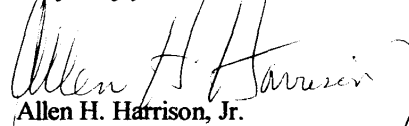
"See Recordation Nos. 21888-T, 21888- U and 21888-AA."

24205 11.04

Enclosed is a check in the amount of sixty dollars (\$60.00) in payment of the filing fee (\$30.00) and the cross indexing fee (\$30.00).

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the letter from the Surface Transportation Board acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,


Allen H. Harrison, Jr.
*Attorney for Flex Leasing I, LLC,
for the purpose of this filing.*

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Enclosures

BY HAND

8212-020

ANNEX A

Description of Equipment

Fifty (50) 3,250 cubic foot capacity covered hoppers; 114-ton capacity; 286,000 pound gross rail load; two (2) compartments; three (3) circular hatch covers; gravity outlet gates, numbered:

LW 993225 through 993259 inclusive

LW 993262

LW 993266

LW 993271

LW 993277

LW 993279

LW 993282

LW 993287 through 993289 inclusive

LW 993291

LW 993293 through 993294 inclusive

LW 993297

LW 993303

LW 993307


[Maryland Midland]

MEMORANDUM OF USE AGREEMENT

FLEX LEASING I, LLC, a Delaware limited liability company ("Lessor"), having its chief executive office at 221 Main Street, Suite 730, San Francisco, California 94105, is a party to a certain (unfiled) letter agreement for the use of railcars, dated October 7, 2002 (the "Use Agreement"), with **MARYLAND MIDLAND RAILWAY, INC.** ("Lessee"), located at P.O. Box 1000, Union Bridge, Maryland 21791, covering the railcars listed on Annex A attached hereto.

Dated as of October 31, 2002

FLEX LEASING I, LLC


Desmond Hayes
President

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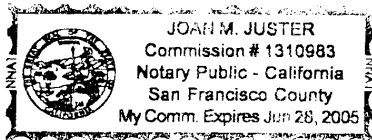
SURFACE TRANSPORTATION BOARD

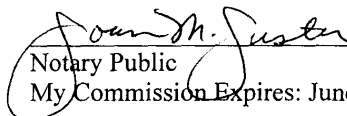
STATE OF CA)
) ss:
COUNTY OF SF)

On this 5th day of November, 2002, personally came before me, Desmond P. Hayes, who, being by me duly sworn, says he is President of Flex Leasing I, LLC and that said writing was signed on the date hereof by him on behalf of said company by its authority duly given. The said President acknowledged the said writing to be the act and deed of said company.

Witness my hand and notarial seal this 5th day of November, 2002.

SEAL




Notary Public
My Commission Expires: June 28, 2005

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